

July 17, 2006

Dear Sir or Madam:

I am concerned about the proposed Business Opportunity Rule R511993. I believe that in its present form, it could prevent me from continuing as a Taste of Home Entertaining Independent Consultant/Director. I understand that part of the FTC's responsibilities is to protect the public from "unfair and deceptive acts or practices," yet some of the sections in the proposed rule will make it very difficult, if not impossible, for me to sell Taste of Home Entertaining products.

I have been in direct sales for over five years. I got into it as an excuse to get dressed up and out of the house to be with adults when my girls were babies. I've remained in direct sales because nowhere else can I find the freedom, flexibility, fun and friendship – not to mention income opportunity – which this business offers. After my husband was unexpectedly downsized, my fun, part-time business became a real business and through it I was able to contribute to our family finances while fitting my work around my life rather than trying to cram my life in what little time is left over after work.

In addition, my oldest daughter missed 21 days of school last year (second grade) because of allergies, asthma and a really bad flu. If I had a regular job, I would have been fired! I joined Taste of Home Entertaining because of the opportunity to be a leader in a new company. This business is enabling me – and my family – to remain in our home. The future of my family is greatly dependent on the stability of the direct selling industry.

One of the sections of the proposed rule that bothers me the most is the seven-day waiting period to enroll new consultants. Taste of Home Entertaining charges just \$199 plus tax and shipping for our Starter Kit, and new consultants receive over \$600 in free products and business supplies. And consultants can change their mind and return their kits for a full refund (provided the products are in salable condition). Or, they can keep the kit and have some great products to use in their homes or give as gifts – for far less than they'd pay if they bought them retail. So a waiting period is an unnecessary burden.

I'm sure some direct-sales companies charge far more than our company does, but everyday people buy items such as cars, computers, flat screen TVs, etc., that cost much more and they do not have to wait seven days. **This waiting period gives the impression that there might be something wrong with the company or the compensation plan.** It will have a chilling effect on my ability to sign up new consultants.

Moreover, every consultant will have to keep extremely detailed records of when we first speak to someone, which is a nightmare in and of itself. Most of us in this business are either busy moms or busy moms with full-time jobs. Anything that adds more paperwork or requires more time, especially when it is not needed, is an unfair burden for us to handle. Besides which, our company offers online enrollment, so the prospect decides when s/he wants to enroll. I'm not sure how the company can be expected to know when a specific prospect first talked to their sponsor and if the required seven days had elapsed before they logged on to sign up. Frankly, this sounds unenforceable.

The proposed rule also calls for the release of **any** information regarding lawsuits involving misrepresentation, or unfair or deceptive practices. It does not matter if the company was found

innocent. Today, anyone or any company can be sued for almost anything. It does not make sense to me that I would have to disclose these lawsuits Taste of Home Entertaining is found guilty. Otherwise, Taste of Home Entertaining and I are put at an unfair advantage even Taste of Home Entertaining has done **nothing** wrong.

[Finally, the proposed rule requires the disclosure of a minimum of 10 prior purchasers (consultants) nearest to the prospective purchaser. I am glad to provide references, but in this day of identity theft, I am very uncomfortable giving out the personal information of individuals (without their approval) to strangers. Moreover, giving away this information could damage the business relationship of the references who may be involved in other companies or businesses including those of competitors. In order to get the list of the 10 prior purchasers, I will need to send the address of the prospective purchaser to Taste of Home Entertaining headquarters and then wait for the list.

I also think the following sentence required by the proposed rule will prevent many people from wanting to sign up as a salesperson - "If you buy a business opportunity from the seller, your contact information can be disclosed in the future to other buyers." People are very concerned about their privacy and identity theft. They will be reluctant to share their personal information with individuals they may have never met. I certainly wouldn't want my name and address given out to strangers!

While I support efforts by the FTC to protect people from disreputable companies, I believe this proposed new rule has many unintended consequences, and feel that there are less burdensome alternatives available to achieving your goals. I don't want to live in a country where our government implements so many rules that we are unable to make an honest living.

People do have to take some responsibility themselves. I would never consider joining a company without doing my homework. Yes, there is an opportunity with direct sales to make lost of money, but to make lots of money with Taste of Home Entertaining or other reputable direct-sales companies requires commitment, hard work, persistence, and belief. Frankly, that's asking more than most people are willing to give. But the reality is that most people just want to make a few hundred dollars a month. Those companies or consultants who claim that you can make millions overnight, especially the Internet only companies...well, if it sounds too good to be true, it probably is!

I hope you will enact a regulation that will protect consumers – without putting an undue burden those of us who treat our businesses as businesses and who represent our companies and our benefits honestly and fairly.

Thank you for your time in considering my comments.

Respectfully,

Kimberly Moore-Woerle
Independent Charter Consultant/Director
Taste of Home Entertaining